

1 BILL NO. 89-09- 23

2
3 RESOLUTION NO. 89-61-89.

4 A RESOLUTION APPROVING THE LEASE OF
5 CERTAIN REAL ESTATE BETWEEN THE CITY
6 OF FORT WAYNE AND CR REALTY.

7 WHEREAS, The City of Fort Wayne is the owner of a
8 certain parcel of real estate located at 1021 South Calhoun
9 Street, Fort Wayne, Indiana, (Civic Center Parking Garage),
10 and more specifically described in Exhibit "A" attached
11 hereto;

12 WHEREAS, The City desires to lease said real estate to
13 CR REALTY;

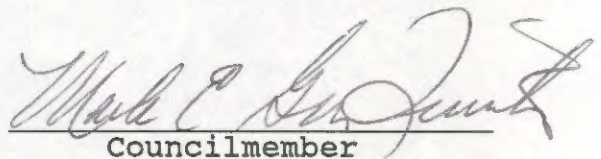
14 WHEREAS, CR Realty has agreed to pay the City for the
15 lease of said real estate as set forth in the agreement
16 attached hereto as Exhibit "B;"

17 WHEREAS, I.C. 36-1-11-8 requires Common Council
18 approval of any such lease.

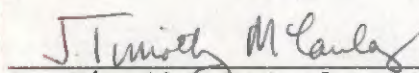
19 NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
20 THE CITY OF FORT WAYNE, INDIANA:

21 SECTION 1. The lease of the real estate described in
22 Exhibit "A" to CR Realty in accordance with the terms outlined
23 herein is hereby approved and agreed to. The appropriate
24 officials of the City are hereby authorized to execute all
25 documents necessary to accomplish said lease.

26 SECTION 2. This Resolution shall be in full force and
27 effect from and after its passage and any and all necessary
28 approval by the Mayor.

29 
Councilmember

30 APPROVED AS TO FORM
31 AND LEGALITY

32 
J. Timothy McCaulay, City Attorney

78-28-13
2/8/89

LEASE AGREEMENT

THIS AGREEMENT is made as of the 1st day of February, 1989, by and between the CITY OF FORT WAYNE having an address of One Main Street, City-County Building, Fort Wayne, Indiana 46802 referred to as "Landlord," and CR REALTY, an Indiana partnership, having an address of 3134 Mallard Cove Lane, Fort Wayne, Indiana 46804, hereinafter referred to as "Tenant."

W I T N E S S E T H:

1. Lease of Premises. Landlord hereby leases and lets to Tenant, and Tenant hereby leases and accepts, subject to the terms and provisions of this Lease, those certain Premises located in Fort Wayne, Indiana, said Premises being more particularly described in Exhibit "A," attached hereto and made a part hereof.

2. Improvement. All improvements to the Premises shall be the sole responsibility of Tenant, including installation of its leasehold improvements and personal property. Upon termination of this Lease, whether by expiration of the terms or otherwise, all improvements except trade fixtures which have been constructed by Tenant, except as otherwise herein specifically provided, shall become and remain the sole property of Landlord. All improvements constructed by Tenant shall have written approval by Landlord.

3. Early Possession for Construction. Tenant agrees at its sole cost and expense to construct improvements described in Exhibit "B" in a good and workmanlike manner and in accordance with all applicable building codes. For the purposes of facilitating such construction, Tenant was granted the right to enter the Premises and begin construction before the execution of this lease.

4. Use of Premises. Tenant is granted the right to occupy and use the Premises for retail and office purposes and uses incidental thereto, and for no other purpose or purposes without the prior written consent of Landlord which shall not be unreasonably withheld.

5. Term of Lease. Subject to the terms and covenants, agreements and conditions herein, Tenant shall have and hold the Premises for a period beginning on February 1, 1989, and and terminating ten (10) years thereafter, with the right to extend and renew this Lease as described in paragraph 22 below. For purposes of this Lease, the words "term," term of the lease," and language of similar import shall include and refer to the initial lease term of 10 years as well as any renewal terms.

6. Right to Purchase. If Landlord decides to sell the Premises or the building where the Premises are located during the term of this Lease or any renewal term Tenant shall have the right to purchase the Premises for the price of \$161,000.00.

7. Rent. Tenant shall pay to Landlord as rent during the term of this Lease, on a monthly basis, the amounts set forth in the rent schedule attached hereto and incorporated herein as Exhibit "C" (the "Rent"); and the Rent is to be paid on the first day of each month in advance. All Rent payments shall be made by Tenant to Landlord at Landlord's address first designated above.

8. Taxes and Assessments. Tenant shall pay, as they become due and payable and before they delinquent, all personal property taxes levied upon or assessed against any personal property maintained at the Premises which are or may become a lien during the term of this Lease. Tenant shall also pay all real estate taxes and assessments levied or assessed against the Premises and all improvements thereon which are or may become a lien during the term of this Lease.

Real estate taxes and assessments which are a lien on the Premises, but not yet due and payable, in the initial year and the final year of the term of the Lease shall be pro-rated between Landlord and Tenant on the lien basis, and computed, if undetermined, on the basis of the last available tax rate and valuation shown on the tax duplicate maintained by the appropriate local governmental authorities.

Tenant shall not be in default hereunder in respect to the payment of any taxes which Tenant is required to pay so long

as Tenant in good faith contests such tax, and Tenant may file in the name of the Landlord all such protests or other instruments and institute and prosecute proceedings for the purpose of such contests. Tenant hereby indemnifies Landlord against any loss or liability by reason of Tenant's contesting any such taxes. In addition, Landlord shall have the option, at its expense, to contest any taxes and institute and prosecute proceedings for the purpose of such contest.

9. Insurance. Tenant at its expense shall maintain comprehensive general liability insurance for bodily injury or death occurring upon, in or about the Premises to the limit of not less than \$1,000,000.00 in respect to any one accident, and for property damage upon or about the Premises to the limit of not less than \$500,000.00.

Under each of the aforesaid insurance policies, Tenant shall be the "named insured," Landlord shall be an "additional named insured," and Landlord's mortgagee shall be an "additional named insured" (and if so requested by Landlord, Landlord's mortgagee shall also be designated under a standard "mortgage clause"). Further, Tenant shall cause the insurance companies issuing said policies of insurance to forward a certificate or other appropriate evidence of said policies to Landlord and to Landlord's mortgagee; and said policies of insurance shall provide for at least ten (10) days prior written notice to Landlord and Landlord's mortgagee before any cancellation or termination thereof. In addition, all insurance proceeds referred to in this paragraph 9 shall be payable to Landlord, Landlord's mortgagee, and Tenant, as their respective interests may appear.

10. Utility Charges. Tenant shall pay all charges and deposits for water, electricity, gas, telephone, sewer, and all other utility services furnished to or assessed against the Premises.

11. Compliance with Laws and Restrictions. Tenant shall not knowingly breach or knowingly suffer the breach of any conditions, agreements or restrictions of record affecting the

Premises, and shall hold Landlord harmless from all consequences of any such breach. Tenant shall comply with all present and future laws, ordinances, and regulation of duly constituted public authorities now or hereafter in any manner affecting the Premises. Tenant shall have the right to contest the validity of any laws, ordinances or regulations affecting its use of the Premises and shall hold Landlord harmless from the consequences of violation of such laws, ordinances and regulations. Tenant shall not commit, or suffer to be committed, or to remain, any waste or nuisance upon the Premises, for any unreasonable or extraordinary period of time, provided however that Tenant shall have the right to maintain garbage dumpsters on the Premises.

12. Signs. Tenant shall be permitted to erect a sign or signs on the exterior of any building(s) or at other reasonable locations at the Premises. The size of said sign(s) shall conform with all governing code requirements, and Tenant shall remove such sign(s) upon termination of this Lease.

13. Repairs. Landlord at its expense shall maintain in good repair and condition the roof, foundation, exterior wall excluding glass, and other structural components of the building(s). Tenant shall give immediate written notice to Landlord of the need for any of the above-described repairs or corrections, and Landlord shall proceed promptly to make such repairs or corrections. In the event any repairs are required to be made by Landlord, Tenant shall, at its sole cost and expense, promptly remove its fixtures, equipment, inventory and other personal property to the extent required to enable Landlord to make such repairs. In addition, Landlord represents that the plumbing system, exterior doors, fire prevention system, heating system and air conditioning system will be included within the contractors and sub-contractors warranties in regard to the Premises.

Tenant at its expense shall maintain in good order and condition all parts of the building(s) and other improvements on the Premises not required to be maintained by Landlord, including

but not limited to repairs and necessary replacements of the windows, window glass, plate glass, doors, heating systems, air conditioning system, any fire protection/sprinkler system, plumbing system, and the interior of the building in general.

14. Alterations. Tenant shall not make any structural alterations in and to the Premises without prior written approval of Landlord, which approval shall not be unreasonably withheld. Any authorized structural repairs and alterations shall be of a quality at least equal to the original construction. Tenant may make any non-structural repairs without any such approval.

15. Mechanics' Liens. Tenant shall not permit any mechanics' or similar liens to remain upon the Premises for labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Premises at the direction of Tenant. Tenant may, however, contest the validity of any such lien or claim, provided Tenant shall give to Landlord reasonable security to insure payment and to prevent and sale, foreclosure or forfeiture of the Premises by reason of such nonpayment.

16. Seniority of Lease; Estoppel Certificate. Tenant agrees, upon Landlord's written request, to subordinate this Lease in favor of any construction and/or permanent mortgage or trust indenture on the property, and Tenant agrees that Landlord may conditionally assign this Lease as additional collateral to Landlord's mortgagee or indenture trustee provided however that Tenant shall receive a nondisturbance agreement from Landlord's mortgagee. Within twenty-one (21) days after a request by either party, the other party shall execute and deliver a written statement that this Lease is unmodified and in full force and effect (or that the Lease is in full force and effect as modified, listing the instruments of modification), the date to which the Rent and other charges have been paid and whether or not to the best of said other party's knowledge, the requesting party is in default under this Lease (and if so, specifying the nature of the default).

17. Indemnifications. Tenant shall indemnify and hold Landlord harmless from and against any and all liability, fines, suits, claims, demands and actions arising out of (i) any breach, violation or performance of any covenant, condition or agreement in this Lease on the part of Tenant to be fulfilled, kept, observed and performed; and/or (ii) any damage to property occasioned by Tenant's use and occupancy of the Premises; and/or (iii) any injury or death to person or persons occurring in or about the Premises and arising out of Tenant's use of the Premises including all reasonable expenses and attorney's fees in connection with any of the foregoing.

Landlord shall indemnify and hold Tenant harmless from and against all liability, fines, suits, claims, demands and actions, expenses (including attorney's fees) arising out of (i) any breach, violation or performance of any covenant, condition or argument in this Lease on the part of Landlord to be fulfilled, kept, observed and performed; (ii) any injury, damage, or loss caused by the negligence or misconduct of Landlord or its employees or agents.

The indemnification contained in this paragraph 16 shall not be applicable, however, to any losses covered by insurance, and the liability of either party to indemnify the other party shall be reduced by the net proceeds collected from any policy of insurance.

18. Casualty Damage. In the event of any casualty loss, damage or destruction to the improvements of the Premises, Tenant and Landlord (with the cooperation of Landlord and Landlord's mortgagee) shall proceed with due diligence to collect the proceeds of any available insurance, and shall promptly use the insurance proceeds to restore the improvements to at least as good a condition as existed immediately prior to the casualty. In the event of such casualty loss, damage or destruction the Rent shall not abate.

19. Condemnation. In the event the entire Premises are taken for any public or quasi-public use, under any statute or by

right of eminent domain, or if any part of the Premises are taken and the part not taken is insufficient for the reasonable operation of Tenant's business, then in either of such events this Lease shall terminate on the date when possession is required for the public use, and Rent, taxes and other charges shall be pro-rated and paid to such date. In the event only part of the Premises are so taken and the part not so taken shall be sufficient for the reasonable operation of Tenant's business, this Lease shall remain unaffected except that (a) Tenant shall, after the actual date of such taking, be entitled to a prorate reduction in the Rent, based on the proportion which the rental value of the portion of the Premises so taken bears to the rental value of the entire Premises originally demised and (b) Landlord at its expense shall promptly after such taking restore that part of the Premises not so taken to as near its former condition as the circumstances will permit. In case of any such taking Landlord and Tenant shall share the award as their interests may appear. Tenant's portion of the award shall be based upon the value of improvements made by Tenant, fixtures owned by Tenant, the value of Tenant's leasehold estate, moving expenses and/or loss of business.

20. Default. Any of the following occurrences or acts shall constitute an event of default under this Lease: (a) Tenant shall fail to make any payment of Rent, taxes or other sum herein required to be paid by Tenant and such failure shall continue for ten (10) days after Landlord shall have given written notice to Tenant specifying such failure, or (b) Tenant shall fail to observe or perform any of Tenant's other covenants, agreements or obligations hereunder and such failure shall continue for thirty (30) days after Landlord shall have given written notice to Tenant specifying such failure, or such failure cannot be cured by the payment of money and cannot with due diligence be cured within such 30 day period, if Tenant shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such failure with diligence and continuity, or (c) if Tenant

shall file a petition in bankruptcy or reorganization or for an arrangement pursuant to any present or future federal bankruptcy act or under any similar federal or state law, or shall be adjudicated a bankrupt or insolvent or shall make an assignment for the benefit of its creditors or shall admit in writing its inability to pay its debt generally as they become due, or if a petition or answer proposing the adjudication of Tenant as a bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within sixty (60) days after the filing thereof, or (d) if a receiver, trustee or liquidator of Tenant or of all or substantially all of the assets of Tenant or of Tenant's interest in the Premises shall be appointed in any proceeding brought by Tenant, or if any such receiver, trustee or liquidator shall be appointed in any proceeding brought against Tenant and shall not be discharged within 60 days after such appointment, or (e) if the estate or interest of Tenant in the Premises shall be levied upon or attached in any proceeding and such process shall not be vacated or discharged within 60 days after such levy or attachment.

Whenever an event or default shall have occurred and be continuing, Landlord shall have the right at its election to enter into the Premises and again have, repossess and enjoy the same, with or without terminating this Lease, and without prejudice to any of its remedies for rent or breach of covenant, Landlord may remove all persons, fixtures and chattels from the Premises and shall not be liable for any damages resulting therefrom. Landlord may, at its option, terminate this Lease by giving written notice of its election to do so, or may at its option, lease the Premises or any part thereof, as the agent of the Tenant or otherwise. In the event of any such reletting, Tenant shall, without demand or further process of law, pay to Landlord at the end of each month during the balance of the term of this Lease, any deficiency of the rental being received by

the Landlord from the Premises. For the purpose of reletting, Landlord may redecorate or make repairs, changes, alterations or additions in or to the Premises which may be necessary or convenient. The foregoing rights and remedies given to the Landlord shall be deemed to be cumulative, and the exercise thereof shall not be deemed to be an election excluding the exercise by the Landlord of a different remedy; the failure of Landlord at any time to exercise and execute any right or remedy herein granted or established by law shall not be deemed to operate as a waiver of its right to exercise such right or remedy at any other or future time.

21. Quiet Enjoyment and Status of Title. Landlord represents, warrants and agrees (a) that it is the owner of fee simple title to the Premises, (b) that it has full right, power and authority to execute and perform this Lease and to grant the estate let herein, (c) that it will put Tenant in complete and exclusive possession of the Premises at the beginning of the term of the Lease free from all rights of other persons and free from all orders and notices of violations of any public or quasi-public authority, (d) that Tenant, on payment of the rent and performing the covenants herein contained, shall peaceably and quietly have, hold and enjoy the Premises during the full term of this Lease without any hindrances, interference or molestation, and that Landlord shall defend Tenant in such peaceful and quiet use against the lawful claims of all persons, and (e) Landlord will comply with all of the terms and conditions of any mortgage upon the Premises.

22. Tenant's Right of Renewal. Upon the expiration of the initial period of this Lease, Tenant shall have the right to renew this Lease for four (4) additional five (5) year periods. The annual rent during any renewal period shall be calculated by multiplying the initial rent hereunder by a fraction, the numerator of which shall be the Department of Labor Bureau of Labor Statistics Consumer Price Index or its counterpart as of the first day of the first month of the renewal term, and the

denominator of which shall be said Consumer Price Index as of the commencement of the initial term of this Lease. The exercise of Tenant's option to renew this Lease for each of such additional periods shall be made only by written notice given to Landlord not less than six (6) months before the expiration of the initial period or any renewal period, as the case may be.

23. Additional Rights. No right or remedy hereby conferred upon or reserved to Landlord or Tenant is intended to be exclusive of any other right or remedy, and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing at law. Either Landlord or Tenant shall be entitled, to the extent permitted by applicable law, to injunctive relief in case of the violation, or attempted or threatened violation, of any covenant, agreement, condition or provision of this Lease or to a decree compelling performance of any covenant, agreement, condition or provision of this Lease, or to any other remedy allowed to Landlord or Tenant by law.

If either party shall be in default in the performance of any of its obligations under this Lease and an action shall be brought for the enforcement thereof in which it shall be determined that said party was in default, then the defaulting party shall pay to the non-defaulting party the expenses incurred in connection therewith including reasonable attorneys' fees. If either party shall without fault on its part be made a party to any litigation commenced against the other party, and if said other party shall not provide said faultless party with counsel reasonable satisfactory to said faultless part, then said other party shall pay all costs and reasonable attorneys' fees incurred or paid by said faultless party in connection with such litigation.

24. Notices and Communications. All notices and other communications required or permitted hereunder shall be sent by first class registered or certified United States mail, postage prepaid, addressed (a) if to Landlord, at its address first set

forth above, or (b) if to Tenant, at its address first set forth above. All notices and other communications hereunder mailed as aforesaid shall be deemed to have been given three (3) days after the date of such mailing. Either Landlord or Tenant shall have the right, from time to time, to change its designated address, and Landlord shall have the right, from time to time, to change its designation in paragraph 6 of a person to receive payments, notices and other communications hereunder or the address of such person; and any such changes shall be effective upon the giving of fifteen (15) days prior notice to the other party, provided that any new address shall be in the United States.

25. Effect of Waiver of Forbearance. No waiver by Landlord or Tenant of any breach by the other party of any of its obligations, agreements or covenants hereunder shall be a waiver of any subsequent breach or of any other obligation, agreement, or covenant, nor shall any forbearance by Landlord or Tenant to seek a remedy for any breach by the other party be a waiver by Landlord or Tenant of its rights and remedies with respect to such or any subsequent breach.

26. Surrender. At the termination of this Lease, Tenant shall deliver the Premises to Landlord in good condition and repair, allowance being made for ordinary wear and tear and obsolescence. Except as set forth in Paragraphs 13 and 18 above, Landlord shall be under no obligation to rebuild, replace, maintain or make repairs to the Premises or to any improvements situated thereon during the term of this Lease. At the termination of the Lease, Tenant at its expense will remove all of its equipment, fixtures and personal property from the Premises, and will repair any damage caused by the removal thereof.

27. Inspection. Landlord has the right to reasonable inspection of the Premises, upon reasonable notice to Tenant, or to do anything it has a right to do under the law, particularly in the event of any emergency. Landlord shall be given reasonable access to the Premises for showings to prospective buyers and mortgagee's and within 120 days of the end of the initial period

of this Lease or any renewal period, Landlord shall be permitted to post "for rent" notices.

28. Personal Property. Tenant may from time to time, in its sole discretion and at its own expense, install personal property including without limitation that which when installed becomes in whole or in part a fixture, on or upon the Premises. All such property so installed by Tenant shall remain the sole property of Tenant in which Landlord shall have no interest, and which shall not be subject to the lien of any mortgage placed on the Premises by Landlord. Tenant may at any time while it is not in default under this Lease remove from the Premises any property installed by it pursuant to this Paragraph. In the event any removal of property pursuant to this Paragraph causes damage to any portion of the Premises, Tenant shall restore the same or repair such damage at its sole cost and expense.

29. Waiver of Landlord's Lien. It is agreed that regardless of the status of Lease and the obligations of each party hereunder, in no event shall Landlord have any right to detain, withhold, refuse to deliver or exercise rights of distraint over the equipment, possessions, inventory or other personal property of Tenant located on the Premises, and Landlord hereby waives any and all such right that may be expressly provided or implied by law or otherwise and agrees to surrender all personal property of Tenant immediately upon demand from Tenant at the termination of the Lease.

30. Parking Spaces. During the term of this Lease or any renewal thereof Tenant shall have the right to lease up to 24 parking spaces in the parking garage adjacent to the Premises at the rental rate in effect from time to time except the 1989 rate shall be the same as the 1988 rate.

31. Entire Agreement. The parties acknowledge that neither of them has made any representations or promises not included in this Lease, and this Agreement constitutes the entire agreement between the parties.

32. Assignment and Sub-Leasing. Tenant agrees not to assign this Lease or sub-let all or any portion of the Premises without first receiving written consent from the Landlord, which consent shall not be unreasonably withheld by Landlord; provided, however, that if Landlord gives its consent that (i) Tenant shall remain liable to Landlord under the Lease subsequent to any such assignment or sublease unless Landlord consents in writing to the release of Tenant from such liability, and (ii) unless Landlord has so released Tenant from such liability, upon the occurrence of any event of default under Paragraph 20 hereof, any notice and opportunity to cure given by Landlord pursuant to said Paragraph 20 shall be given both to Tenant and to any assignee or sublessee.

33. Successors and Assigns. This Lease and all of the covenants and provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

34. Recording. Landlord and Tenant agree either to record this Lease or to execute and record a short form lease agreement or memorandum of lease in form acceptable to Landlord and Tenant and in accordance with the provisions of state law.

35. Governing Law. This Lease shall be construed and enforced pursuant to the laws of the State of Indiana.

36. Brokers. Tenant is not aware of any claims for brokerage commissions and Landlord agrees to hold harmless and indemnify Tenant against any claims for brokerage commissions arising out of the conversations, prior negotiations, and other dealing between Landlord and Tenant in connection with this Lease.


37. Certificate of Occupancy. Upon request, Landlord shall assist and cooperate with Tenant in any efforts of Tenant to obtain any certificate of occupancy or other governmental permit, approval or license that may be required in connection with the occupancy and use of the Premises.

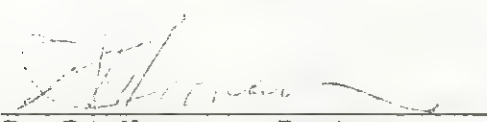
38. Use of Language. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires.

39. Captions. The captions or headings of paragraphs in this Lease are inserted for convenience only, and shall not be considered in construing the provisions hereof if any questions of intent should arise.

40. Severability. If any term or provision of this Lease is held invalid or unenforceable, such holding shall not effect the remainder of this Lease and the same shall remain in full force and effect unless such holding substantially deprives Tenant of the use of the Premises or the Landlord of the Rents, in which event this Lease shall forthwith terminate as if by expiration of the term hereof.

CR REALTY

By: 
C. A. Wilson, Partner


R. D. Noonan, Partner


"Tenant"


THE CITY OF FORT WAYNE

By: 
Paul Helmke, Mayor

ATTEST: 
Sandra E. Kennedy, City Clerk

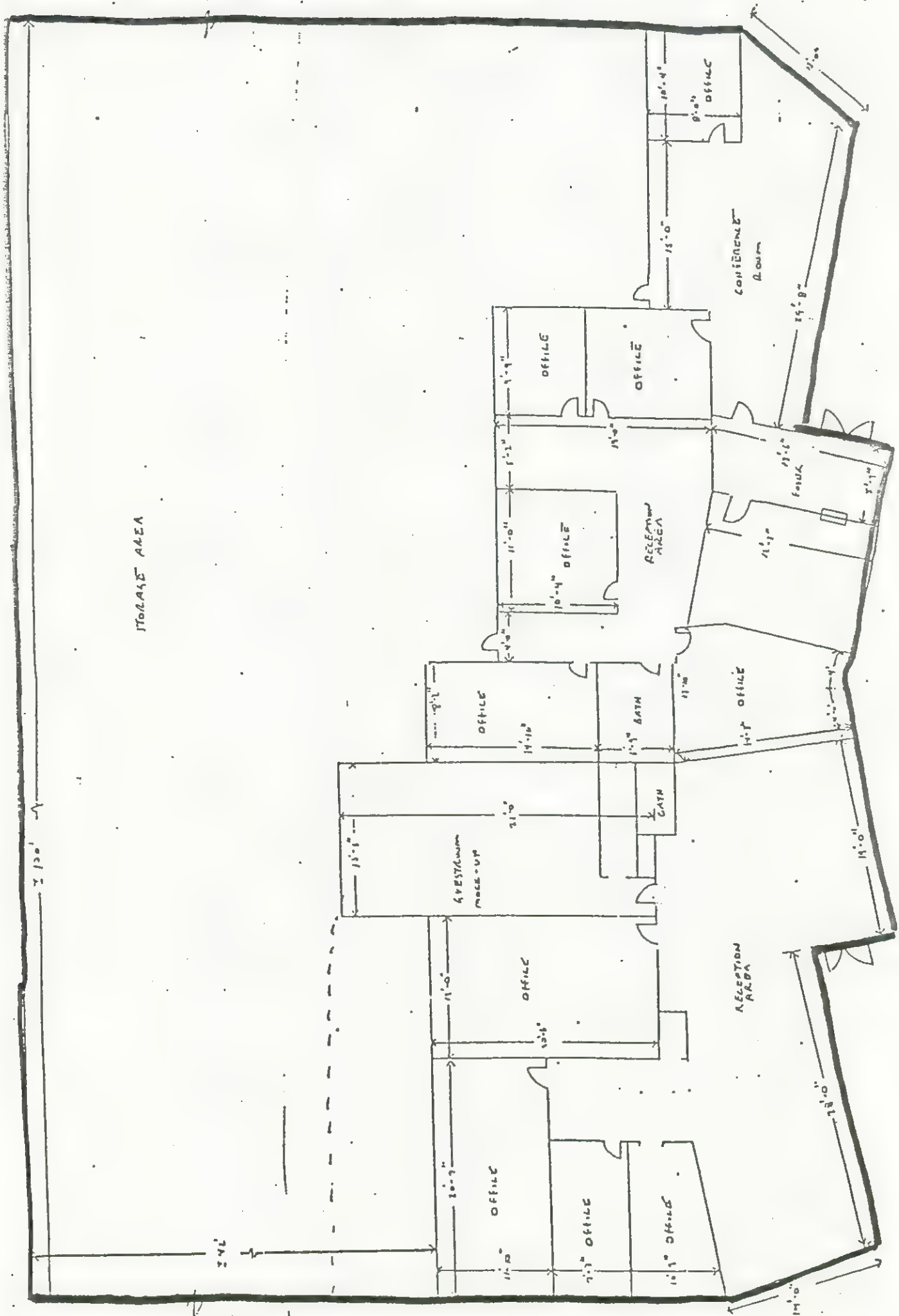
"Landlord"

By:  2-8-89
Angela S. Derheimer, Director
Board of Public Works

By:  2-8-89
C. David Silletto, Director
Administration and Finance

"EXHIBIT A"

CIVIC CENTER PARKING GARAGE



SCALE 1/8" = 1'-0"
12/14/04
JCT. PARKING INT.

1071. SOUTH CALIFORNIA STREET

Exhibit "B"

1020 South Calhoun St. (Civic Parking Bldg)

Improvement List being considered at this time:

BACK AREA

- * Finishing Concrete floor
- * Adding Mens & Womens Restrooms
- * New heating ventalating & Air Conditioning -or- using existing and
adding new to accommodate rear of Leased Area
- * Sprinkler System
- * Removable & Changeable partition walls
- * 6' 0" Doorways added to North & South side of Building
- * Carpeting floors

OFFICE AREA

- * Removal of some existing walls
- * Enlargement of front (West Side) of office space

CAW/pw/4445B

Exhibit "C"

RENT SCHEDULE

Civic Center Parking Garage
1021 South Calhoun Street

*8,956.23 228,383.86
8,699 sq. ft. x \$2.55/sq.ft. x 10 years = ~~\$221,824.50~~ Total Rent

~~\$221,824.50~~/120 months - ~~\$1,848.54~~/month Rent
228,383.86 1,903.20

[Handwritten signatures and initials: "Alfonso", "Rui", "CD", "AD"]

*Revised square footage per joint inspection by both parties 2/7/89.

Read the first time in full and on motion by GiaQuinta, seconded by Henry, and duly adopted, read the second time by title and referred to the Committee on Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Conference Room 128, City County Building, Fort Wayne, Indiana, on _____, the _____ day of _____, 19____, at _____ o'clock _____ M., E.S.T.

DATED: 9-12-89

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by GiaQuinta, seconded by Talarico, and duly adopted, placed on its passage. PASSED ~~lost~~ by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<u>7</u>			<u>2</u>
BRADBURY	<u>✓</u>			
BURNS	<u>✓</u>			
EDMONDS				<u>✓</u>
GiaQUINTA	<u>✓</u>			
HENRY	<u>✓</u>			
LONG				<u>✓</u>
REDD	<u>✓</u>			
SCHMIDT	<u>✓</u>			
TALARICO	<u>✓</u>			

DATED: 9-26-89

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL)

(SPECIAL) (ZONING MAP) ORDINANCE RESOLUTION NO. R-6-89
on the 26th day of September, 19 89,

ATTEST
Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

SEAL
Charles S. Reed
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 27th day of September, 19 89, at the hour of 11:30 o'clock P. M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 2-2 day of October, 19 89, at the hour of 1:15 o'clock P. M., E.S.T.

Paul Helmke
PAUL HELMKE, MAYOR

Admn. Appr. _____

DIGEST SHEET

Q-85-09-23

TITLE OF ORDINANCE RESOLUTION APPROVING LEASE - PARKING GARAGE

DEPARTMENT REQUESTING ORDINANCE BOARD OF WORKS

SYNOPSIS OF ORDINANCE _____

RATIFIES 10 - YEAR LEASE BETWEEN CITY AND CR REALTY RELATED TO

8,956.23 sq. ft. of Civic Center Parking Garage

EFFECT OF PASSAGE Lease Confirmed

EFFECT OF NON-PASSAGE Lease Proposal Defeated

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) REVENUE- \$228,383.66

over ten (10) years.

ASSIGNED TO COMMITTEE (PRESIDENT) _____

BILL NO. R-89-09-23

Hold
9/26/89

REPORT OF THE COMMITTEE ON FINANCE

MARK E. GIAQUINTA, CHAIRMAN
THOMAS C. HENRY, VICE CHAIRMAN
BRADBURY, SCHMIDT, BURNS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS
REFERRED AN (ORDINANCE) (RESOLUTION) APPROVING THE LEASE
OF CERTAIN REAL ESTATE BETWEEN THE CITY OF FORT WAYNE AND CR
REALTY

HAVE HAD SAID (ORDINANCE) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(ORDINANCE) (RESOLUTION)

DO PASS

DO NOT PASS

ABSTAIN

NO REC

<i>Mark E. GiaQuinta</i>	_____	_____	_____
<i>Thomas C. Henry</i>	_____	_____	_____
<i>James H. Bradbury</i>	_____	_____	_____
<i>Paul Schmidt</i>	_____	_____	_____
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DATED: *9-26-89*

Sandra E. Kennedy
City Clerk



THE CITY OF FORT WAYNE

TO: STAN LEVINE, ESQ.
MEMBERS OF THE COMMON COUNCIL, CITY OF FORT WAYNE

FROM: R. DAVID BOYER, ASSOCIATE CITY ATTORNEY

DATE: SEPTEMBER 26, 1989

RE: LEASE AGREEMENT CITY OF FORT WAYNE/CR REALTY

Following is a summary of the steps which culminated in the proposed lease to CR Realty for the Civic Center parking garage office space.

Initially, a request for proposals was advertised soliciting proposals for purchasing or leasing all or part of the space.

Three proposals to purchase were received. These proposals were \$150,100 from 1025 Calhoun Street Associates; \$156,100 from Tippmann and \$161,000 from Corson Group, which is the owner of CR Realty. Three (3) lease proposals were also received. Two of them were partial leases and the third was the lease for the entire space. All of the proposals were from the entity owning CR Realty. The proposal which was accepted on recommendation by the Board of Works staff was for the lease of the entire property to CR Realty at the rate of \$2.55 per sq. foot. In addition to the lease, the proposal included a commitment to improvements to the real estate amounting to at least \$150,000.00.

At the time the lease was executed the space was raw space. The concrete floor was only partially completed. Heating, ventilating and air conditioning were suspect at best, and as evidenced by the list of improvements to be undertaken, space is being furnished with new heating, ventilating and air conditioning, as well as the other improvements listed.

As far as I recall, the space had been advertised for lease once before with no real takers.

It was a decision of the Board on staff recommendation to lease rather than sell the space based on at least the following reasoning:

1. As lessor, the City had continuing control over the nature of the use and occupancy of space.
2. Under the provisions of the lease, the City owns the leasehold improvements and therefore realizes the value of the additional sums for improvements expended by the lessee.
3. The rental will automatically increase in the event of renewals according to the consumer price index.
4. By including an option to purchase in the lease for a price equal to the highest bid received for purchase of the property in its present condition, the City was able to keep all of its options open.

The transaction has a benefit of getting the property improved and occupied and generating both rental income and tax revenue, while at the same time giving the City the right to change its mind and sell the real estate if it so desires.